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ABSTRACT

This report addresses the major performance and management challenges that have limited the effectiveness of the Department of Education in carrying out its mission. The booklet addresses corrective actions that Education has taken or initiated on these challenges--including a number of management initiatives to improve controls over the Department's student financial aid programs--and further actions that are needed. The report found that Education's administrative effort is inadequate to ensure access to postsecondary institutions while protecting federal financial interests. Although Education has made progress in improving program management and in providing information needed by Congress, a review of Education's fiscal year 1999 performance plan suggests the need for additional action in several areas. The Department could better describe the relationship between its long-term strategic goals and objectives and the short-term fiscal year 1999 performance goals in individual program performance goals and in individual program performance plans. The Department must also address the need for adequately testing revisions to its financial information systems and must ensure that new or modified Year-2000-compliant systems will not jeopardize the Department's ability to function. (RJM)

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January 1999

Major Management Challenges and Program Risks

Department of Education

U.S. DEPARTMENT OF EDUCATION
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GAO **United States**
General Accounting Office
Washington, D.C. 20548

Comptroller General
of the United States

January 1999

The President of the Senate
The Speaker of the House of Representatives

This report addresses the major performance and management challenges that have limited the effectiveness of the Department of Education in carrying out its mission. It also addresses corrective actions that Education has taken or initiated on these challenges—including a number of management initiatives to improve controls over the Department's student financial aid programs—and further actions that are needed. For many years, we and others have reported significant management problems at Education. These problems are the result of serious deficiencies in information and financial management systems and the challenge of balancing two conflicting objectives—achieving federal program oversight while offering implemention flexibility to the state and local entities carrying out the programs.

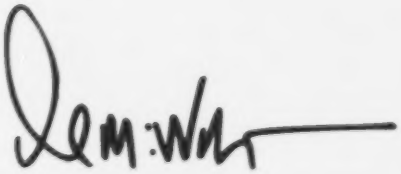
Education is making progress in addressing vulnerabilities in its financial management system. It has implemented a new core payment system, and it received an unqualified financial audit opinion on its fiscal year 1997 financial statements. However, Education continues to lack the financial and programmatic information necessary to effectively budget for and manage its student financial aid programs and to accurately estimate the government's liabilities. For example, Education

continues to lack accurate, reliable data on costs associated with outstanding student loans. Therefore, GAO continues to designate these programs as high risk. Education has improved the management of its elementary and secondary education programs by developing sound performance plans containing key strategies and performance measures. However, it needs to improve coordination with other agencies that provide educational services. In addition, it still faces challenges in obtaining performance information for many of its programs that are designed to give state and local entities the opportunity to tailor programs to local circumstances.

This report is part of a special series entitled the Performance and Accountability Series: Major Management Challenges and Program Risks. The series contains separate reports on 20 agencies—one on each of the cabinet departments and on most major independent agencies as well as the U.S. Postal Service. The series also includes a governmentwide report that draws from the agency-specific reports to identify the performance and management challenges requiring attention across the federal government. As a companion volume to this series, GAO is issuing an update to those government operations and programs that its work has identified as "high risk" because of their greater vulnerabilities to waste, fraud, abuse, and mismanagement. High-risk government operations are also identified and discussed in detail in the appropriate performance and accountability series agency reports.

The performance and accountability series was done at the request of the Majority Leader of the House of Representatives, Dick Armey; the Chairman of the House Government Reform Committee, Dan Burton; the Chairman of the House Budget Committee, John Kasich; the Chairman of the Senate Committee on Governmental Affairs, Fred Thompson; the Chairman of the Senate Budget Committee, Pete Domenici; and Senator Larry Craig. The series was subsequently cosponsored by the Ranking Minority Member of the House Government Reform Committee, Henry A. Waxman; the Ranking Minority Member, Subcommittee on Government Management, Information, and Technology, House Government Reform Committee, Dennis J. Kucinich; Senator Joseph I. Lieberman; and Senator Carl Levin.

Copies of this report series are being sent to the President, the congressional leadership, all other Members of the Congress, the Director of the Office of Management and Budget, the Secretary of Education, and the heads of other major departments and agencies.



David M. Walker
Comptroller General of
the United States

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Overview

The Department of Education is the primary agency responsible for overseeing the more than $73 billion annual federal investment in support of educational programs for Americans. The Department is also responsible for tracking approximately 93 million student loans and 15 million grants as well as collecting more than $150 billion owed by students. While the federal government provides only a portion of the resources used for educational activities nationwide, education is seen by most Americans as a critical issue in which the federal government can play a part. In order to maximize the success of federal efforts to assist education, and therefore ultimately produce a more informed citizenry and improve the quality of American workers, the Department of Education must address several major performance and management challenges.

The Challenges

Education's Administrative Effort Is Inadequate to Ensure Access to Postsecondary Institutions While Protecting Federal Financial Interests

Education continues to experience challenges in its management of student financial aid programs, which we have designated as at high risk for fraud, waste, abuse, or mismanagement. These programs are at risk because they provide grants and federally backed loans to a population that is composed largely of low-income students who are not creditworthy and would not otherwise have access to the funds necessary to enter the college or university of their choice. Of most importance, the Department lacks the financial and programmatic information necessary to effectively budget for and manage these programs and to accurately estimate the government's liabilities. For example, in fiscal year 1997, the federal government paid out over $3.3 billion to make good its guarantee on defaulted student loans. Yet the Department lacks the integrated financial systems to provide basic information. For example, the current system cannot always identify where a student is enrolled, even after a student grant or loan is awarded and thousands of dollars in student aid have been disbursed. As a result, ineligible students could be receiving funds.

Year 2000 Computer Compliance Lacking

Some of the Department's mission-critical information systems are not yet Year 2000 compliant. Through its student aid programs, Education has enabled millions of students to attend postsecondary educational institutions. Year 2000 issues threaten the Department's ability to continue making this aid available to eligible students and parents. Specifically, these problems could result in (1) delays in disbursement, such that lenders might not receive timely interest subsidy payments if external data exchanges fail, and (2) a reduction in the Department's ability to transfer payments, process applications for program benefits, and monitor program operations. These problems also pose risks that student financial aid programs may not function properly if they do not receive critical data for originating loans and for reporting payments and financing information.

Balancing Oversight of Programs and Program Flexibility

Education also faces challenges in administering elementary and secondary education programs that are a joint responsibility with state and local agencies. Doing so requires striking a balance between program flexibility and program controls. Yet there is a lack of consensus nationally on what the Department's role should be in

education. In this connection, the Congress has, over the past several years, eased some federal reporting requirements to reduce paperwork and regulatory burden as it increased state and local responsibilities for managing programs. As a result, the Department does not have enough information on program effectiveness to meet the information needs of the Congress and other decisionmakers. Furthermore, statutes often delegate oversight of compliance to state and local agencies. This, too, results in a lack of accountability information, particularly for elementary and secondary education programs. In fact, many of these programs have been converted into little more than funding streams, distributed through formula-driven funding mechanisms, thus further diminishing Education's role in some programs. Our work has also shown that billions of federal education dollars are distributed through hundreds of programs and more than 30 agencies, which creates the possibility of overlap and duplication in federal education programs.

Progress and Next Steps

The Department has been improving the management of its programs by establishing goals, key strategies, and performance measures for each of its 22 strategic

objectives and by developing 99 performance plans for individual programs. Education reported these actions in its strategic and annual plans as required under the Government Performance and Results Act, commonly known as the Results Act. In these plans, the Department identified some of its many programs and laid the groundwork for developing needed information about them. For the student financial aid programs, for example, the Department has increased its oversight and management of the consolidation of student loans and improved its process for recertifying participating schools. Education has also accelerated its efforts to become Year 2000 compliant.

While Education has made progress in improving program management and providing information needed by the Congress, our review of Education's fiscal year 1999 performance plan suggested the need for additional action in several areas. For example, the Department could better describe the relationship between its long-term strategic goals and objectives and the short-term fiscal year 1999 performance goals in individual program performance plans. Education also needs to continue to improve its coordination with the other

agencies that provide educational services and engage in crosscutting efforts. For its student financial aid programs, Education needs to address the data limitations and lack of financial information that hinder its management of the programs and affect its ability to award and track billions of dollars in student financial aid. Further, the Department must address the need for adequately testing revisions to its financial information systems, while developing business continuity and contingency plans, to provide reasonable assurance that new or modified Year-2000-compliant systems will not jeopardize the Department's ability to perform core operations.

Major Performance and Management Issues

The Department of Education leads the nation's long-term efforts to improve the quality of education. With a staff of about 4,600 and a budget of about $34 billion in fiscal year 1999, the Department manages much of the over $73 billion federal investment in education. Specifically, the Department operates multiple programs to promote access to and equity in education, provides financial aid to postsecondary students, and develops information and provides research on best practices to improve the quality of education. In performing its mission, Education interacts with two major kinds of educational institutions—elementary and secondary schools and postsecondary institutions—as well as coordinates with other federal agencies that provide educational resources, assistance, or both.

The Department of Education faces two major management challenges if it is going to effectively manage federal resources in support of education. First, the Department must fully protect federal financial interests while carrying out its role in ensuring student access to postsecondary institutions —which, to date, it has not accomplished. Student financial aid programs administered by the Department have a number of

features that make them inherently vulnerable to fraud, waste, abuse, and mismanagement, and the Department's administration of these programs has not been adequate to overcome that vulnerability. Second, Education must ensure that its mission-critical information systems are Year 2000 compliant and has recently accelerated its efforts to do so. In addition, Education faces significant challenges in providing the information on preschool, elementary, and secondary education programs that is needed by many different decisionmakers.

Education's Administrative Effort Is Inadequate to Ensure Access to Postsecondary Institutions While Protecting Federal Financial Interests

Through student financial aid programs administered by the Department of Education, millions of students have been able to enroll in the postsecondary education institutions of their choice. In fiscal year 1998, for example, more than 8.5 million students received over $48 billion in student financial aid through Education-administered student financial aid programs. But these programs have a number of features that make them inherently vulnerable to fraud, waste, abuse, and mismanagement. For example, they provide grants and federally backed loans to a high-risk population, composed largely of

low-income students who are not creditworthy and would not otherwise have access to the funds necessary to enter the college or university of their choice. Moreover, the programs operate independently with different rules, processes, and data systems, and many participants are involved—including millions of students; thousands of schools; and thousands of lenders, guaranty agencies, third-party servicers, and contractors. The Federal Family Education Loan Program (formerly known as the Guaranteed Student Loan Program), for example, is particularly vulnerable because of its size (it provided $20 billion in loans in fiscal year 1998), large number of participants, and the federal guarantee under which the federal government bears most of the risk when students default on their loans. For example, in fiscal year 1997, the federal government paid out over $3.3 billion to make good its guarantee on defaulted student loans.

The Department's administration of these programs has also contributed to federal exposure to mismanagement and abuses. Our audits and those of Education's Office of Inspector General (OIG) have found instances in which students fraudulently obtained grants and loans; schools were

inappropriately recertified to continue participating in federal student aid programs; state-designated guaranty agencies misused federal funds in their custody; and a contractor failed to properly make, record, and account for loans it consolidated on Education's behalf. This combination of vulnerabilities, inherent in program design and exacerbated by Department administration, has led us since 1992 to designate federal student financial aid programs as an area at high risk of fraud, waste, abuse, and mismanagement.

Progress has been made in addressing many of the issues discussed in our series of reports on this high-risk area. For example, in the 1998 amendments to title IV of the Higher Education Act of 1965, the Congress instructed the Department and the Internal Revenue Service to cooperate in verifying students' income to prevent fraud. The 1998 amendments also strengthened the controls over guaranty agencies' use of the federal funds they hold in reserve. Moreover, the Department has improved the process by which it recertifies schools for participation in student aid programs and has increased its management and oversight of the consolidation of student loans.

We are encouraged by the actions taken by the Congress and the Department to address a number of program management and oversight issues. But several weaknesses continue to cause concern and have contributed to our decision to maintain the high-risk designation for the Department's administration of student financial aid programs. First, the Department's nonintegrated information management systems often lack the accurate, complete, and timely data on program participants needed to effectively manage and oversee the programs. Second, the Department lacks the financial information necessary to effectively budget for and manage its student aid programs and to accurately estimate the government's liabilities.

Nonintegrated Information Systems Fail to Consistently Provide Managers Accurate and Timely Data on Program Participants

Federal student financial aid programs remain vulnerable to losses because the Department, guaranty agencies, schools, and lenders often do not have the accurate, complete, and timely information on program participants needed to effectively and efficiently operate and manage the programs. These difficulties stem from the lack of a fully functional integrated database covering all Department-administered financial aid programs. Our work has shown

that the Department does not have a sound, integrated information technology strategy to manage its portfolio of information systems.

Many of Education's student financial aid systems were developed independently over time by multiple contractors in response to new functions, programs, and mandates, rather than as part of a long-range system design strategy. As a consequence, a highly heterogeneous environment has evolved that relies heavily on various contractors to develop and maintain computerized systems of critical student financial aid information. These contractors operate the systems in their own disparate hardware and software environments. The fiscal year 1998 budget to develop, operate, and maintain these systems was $311 million, and spending is expected to increase in fiscal year 1999.

To address long-standing challenges associated with the student loan programs' nonintegrated, heterogeneous systems environment, and to improve the availability and quality of data on title IV program participants, the Higher Education Amendments of 1992 required that the Department integrate its databases containing information on student financial

aid program participants. The amendments also required the Department to do the following:

- Establish common identifiers so that codes that are used to identify institutions and students are consistent across the different title IV programs, making it easier for managers and others to track students across programs. Without such identifiers, the Department could assign an institution different identification numbers for each title IV program in which its students participate, making the identification of institutions problematic. While the Department is working on establishing these identifiers, it has not completed this work.
- Standardize data reporting formats to permit the direct comparison of data. For example, the Department permits each title IV program to use its own data dictionary for its system; thus, data elements may have different meanings across programs. The lack of data standards also contributes to concerns about data quality and reliability, which the Department has long recognized as a significant problem with its title IV data. The Department began to address data quality through a major project in December 1996 aimed at reconciling data stored in the National Student Loan Data

System (NSLDS)—the Department's principal student grant and loan database—with data in program-specific databases. Although the Department has reconciled parts of its NSLDS data, it has only partially standardized its data reporting formats.

In July 1997, we recommended that the Secretary of Education direct the Department's chief information officer to (1) develop and enforce a departmentwide systems architecture that includes a high-level description of the organization's mission, functional requirements, systems, and information flows among systems and (2) ensure that the developed systems architecture addresses the title IV systems integration, common identifiers, and data standards deficiencies. We also recommended that the Department's information technology investments conform to the developed architecture and that funding for all projects be predicated on such conformance.

Although the Department has made improvements in its student aid data systems that address many of these concerns, additional enhancements are still needed. For example, the Department is developing a major reengineering project, Easy Access for

Students and Institutions (commonly referred to as Project EASI), to redesign the entire student aid program delivery system to integrate the management and control functions, but this project is a long-term undertaking.

The Congress recently authorized the Department to operate student financial aid programs under a performance-based organization (PBO)—the first such organization in the federal sector. PBOs normally adhere to more flexible rules but operate under tougher accountability standards. Many functions, such as developing and enforcing departmentwide management systems, will fall within the responsibility of Education's PBO. The PBO will have an opportunity to address these issues as it begins taking over functions now operated by the Department's Office of Postsecondary Education.

Lack of Adequate Financial Data Hinders Management of Student Financial Aid Programs

Education's chronic data systems challenges have hampered its ability to prepare financial statements that fairly present the actual financial condition of its student financial aid programs. Each year from 1992 through 1996, data reliability concerns have precluded our auditors, Education's OIG, and

independent public accountants from rendering an opinion on Education's financial statements. The primary challenge has been that the Department has not been able to obtain complete and accurate student loan data from its systems. Without accurate information, the Department cannot be certain of the extent of the government's liability for the student loans it has guaranteed.

The Department has made progress in addressing vulnerabilities in its financial management systems. For example, in fiscal year 1998 it received an unqualified audit opinion on its fiscal year 1997 consolidated financial statements—the first year it received such an opinion. The Department has also implemented its new core financial management system and undertaken efforts to improve NSLDS. The Department also intends to improve data accuracy by obtaining individual student loan data directly from lenders rather than through guaranty agencies and by expanding efforts to verify the data reported to NSLDS.

Other aspects of its financial management activities, however, continue to require the Department's attention and contribute to concerns about the risk exposure to the

federal government. For example, although the Department received an unqualified audit opinion on its fiscal year 1997 consolidated financial statements, it continues to lack accurate, reliable data on costs associated with outstanding student loans. Because Education did not have reliable data from its own systems to develop the estimates of outstanding loans, it obtained data from 10 of the larger guaranty agencies and used these data to compute loan estimates for preparing its 1997 statements. Because of this effort, Education did not meet the annual March 1 deadline for completing the audit as required by the Results Act. Education's OIG issued its audit report on the fiscal year 1997 financial statements on May 29, 1998. Although the data provided by the guaranty agencies were suitable to support the loan estimates included with this audit report, Education's ability to continue to prepare auditable loan estimates and meet the Results Act audit time frame depends on its establishing a reliable source of up-to-date historical loan data.

Although the Department relies mainly on independent public accountant audits to ensure the accuracy of information about monies it is owed, it has not focused on

receiving reports on audits and performing quality control reviews on these audits. Education also does not know if required annual financial and compliance audits of schools participating in federal student financial aid programs are being performed. Although Education has two systems for audit report tracking and monitoring, neither system is used to identify late or missing financial audit reports. The Department has not followed up on audit findings in a timely manner.

The Department has also experienced difficulties in implementing and operating its new core financial management system. As a result, the preparation of the fiscal year 1998 financial statements and the related audit are being delayed until the Department completes reconciling general ledger data and resolves significant differences between the general ledger and other related information. The Department has hired contractors to assist with the reconciliation process. The Department's OIG has agreed to delay the audit of the fiscal year 1998 financial statements until February 1999 because of these issues. Consequently, the Department will not meet the March 1, 1999, deadline for completing the fiscal year 1998 audit.

Education recognizes the need to improve oversight over guaranty agencies, and several corrective actions are under way. In addition to these actions, Education has started to use NSLDS to track individual loan activity and loan balances. We believe that Education can take steps to eliminate major internal control weaknesses and fully implement its new core financial management system. Because the Department has begun corrective actions and has demonstrated a commitment to resolving its financial management challenges, we believe it is making progress. The unqualified audit opinion on its 1997 financial statements was a significant improvement over the disclaimers of opinion that the Department received in past audits. However, a sustained effort will be critical if the Department is to have sound financial management and reliable financial information.

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Year 2000 Computer Compliance Lacking

The Department of Education faces major risks that Year 2000 failures could seriously disrupt the student financial aid delivery process. Because student financial aid systems are interdependent, repercussions from Year-2000-related shortcomings could be felt throughout the student financial aid community. The Department has been very slow in implementing a comprehensive Year 2000 program to address these risks. Education is now accelerating its program, but with the slow start, the Department remains in a position of playing catch-up. Accordingly, the Department has major challenges ahead and limited time remaining to adequately deal with them.

According to Education's own assessments of the severity of possible Year 2000 failures, the student financial aid delivery process could experience major problems unless all

systems are compliant in time. These problems include

- delays in disbursements, such that lenders might not receive timely interest subsidy payments if external data exchanges fail;
- reduction in the Department's ability to transfer payments, process applications for program benefits, and monitor program operations;
- risks that student financial aid programs might not function properly if they do not receive critical data for originating loans and for reporting payments and financial information; and
- risks that postsecondary education students might lack the ability to verify the current status of their loans or grants.

Education has reported to the Office of Management and Budget (OMB) that it has 14 mission-critical systems, of which 11 are student financial aid systems. Complete and thorough testing of the Year 2000 compliance of these mission-critical systems is essential to provide reasonable assurance that new or modified systems will process dates correctly and will not compromise core business operations after the turn of the century. It is also important to work early and continually with agencies' and

organizations' data exchange partners so that testing can be effectively planned and executed. For Education, the tasks ahead require a cooperative, coordinated, and thorough testing process across the disparate systems in the student financial aid delivery network.

Education must mitigate critical risks that affect its ability to award and track billions of dollars in student financial aid. Specifically, the Department must address the need for adequate testing, the renovation and testing of data exchanges, and the development of business continuity and contingency plans. Unless these issues are effectively addressed, the ability of the Department to deliver financial aid to students will be compromised. The Department's efforts include the following.

- Beyond the testing of individual mission-critical systems, Education plans to devote a significant amount of time to end-to-end testing of its mission-critical business processes and supporting systems, including those associated with student financial aid delivery. According to its documents, the Department plans to conduct such testing in the first half of 1999, after all

individual mission-critical systems have been certified as Year 2000 compliant.

- Conflicting data exchange formats or data processed on noncompliant systems could introduce and propagate errors from one system to another. Education's student financial aid data exchange environment is massive and complex. It includes about 7,500 schools, 6,500 lenders, and 36 guaranty agencies, as well as other federal agencies. The Department plans to include testing of data exchanges in its end-to-end testing of mission-critical business processes.
- Given the challenges Education faces in making sure that all of its mission-critical systems are adequately tested and in addressing the complexities of the massive number of data exchanges, it will be difficult for the Department to enter the new century without experiencing some challenges. Therefore, it is critical that Education develop realistic contingency plans to ensure continuity of core business processes in the event of Year-2000-induced failures. According to Department officials, Education is in the process of developing business continuity and contingency plans for each mission-critical business process and supporting system. The Department expects to complete these plans by March 1999.

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Balancing Oversight of Programs and Program Flexibility

In administering programs that are a joint responsibility with state and local agencies, Education must continually balance program flexibility with maintaining program controls. At the same time, there is a lack of consensus on the federal role in education. Over the past several years, the Congress has loosened federal requirements, thus increasing state and local responsibilities for managing programs and determining how funds best meet local needs. As a result, the Department has too little information on program effectiveness to meet the information needs of the Congress and other decisionmakers. But this absence of information often results not from Education's lack of diligence in managing the programs but from the nature of the programs themselves. The challenge for the Department is to get the information it needs in the face of other issues that impede its data collection efforts, such as (1) priorities that compete with and restrict data

collection and evaluation activities, such as the desire to reduce paperwork and regulatory burden and promote flexibility in program implementation; (2) the high cost of data collection; (3) the secondary role the federal Department of Education plays, relative to local and state government entities, in many programs; (4) the difficulty of obtaining impact evaluation information; (5) the problem in assessing overall effects from federal efforts involving multiple federal programs in multiple agencies; and (6) until recently, a lack of focus on results and accountability.

In some Education programs, oversight of compliance is delegated to state and local agencies, which results in a lack of accountability information for the elementary and secondary education programs the Department manages. These programs are sometimes designed, by statute, to provide considerable flexibility for states and local school districts. When flexibility is provided in a program's implementation, the types of activities carried out can vary from locality to locality. This is often also true of program objectives, information reporting, and measures of outcome and success. As we have seen in our review of the Safe and Drug-Free

Schools and Communities Act, cobbling this information together to form a national picture can be difficult.

Moreover, our work has also shown that billions of federal education dollars are distributed through hundreds of programs and more than 30 agencies, which creates the possibility of overlap and duplication in federal education programs. Since the bulk of federal education funds are distributed through formula-driven funding mechanisms, in recent years some of these programs have been converted to little more than funding streams. (The term "funding stream" characterizes programs for which there are federal fiscal objectives but whose activities are primarily managed at the state or local level.) In the words of state agency staff, "these aren't federal programs, they are state programs that receive federal funds." Thus, Education's role in some programs—such as Goals 2000, which provides funds to states and localities for systemwide education reform efforts—may involve little more than seeing that applications for funding are properly submitted, compliance or audit issues are resolved, and money is disbursed in a timely fashion. As a result, little or no performance information is available at the federal level. Where grant-funded activities

are primarily managed at the local level—as in title VI Innovative Education and Safe and Drug-Free Schools and Communities—the state's role may be similarly limited. Also, once these funds are added to the overall budget for a state or local activity, the federal dollars lose their identity, and their results cannot be separated out—particularly when the federal share is small. Thus, the only program outcome measures available are likely to be for the state or local service delivery program, not the federal funding program.

The strategic planning process under the Results Act, including its interagency coordination component, provides an opportunity to examine education programs managed across the government so that overlapping, duplicative, and ineffective programs can be identified. Education's strategic and performance plans were basically sound. They provided OMB and the Congress with goals, key strategies, and performance measures for each of Education's 22 strategic objectives and 99 performance plans for individual programs; the plans also mapped the interagency coordination for each program. The Department has also required states or localities to set performance objectives for

the activities or projects they choose to support with federal funds—and to report the performance objectives to the federal agency involved. For example, in its use of waivers, the Department expects to gain information on program outcomes in exchange for granting temporary exemptions from certain federal program requirements (waivers) to states or school districts. However, state reporting is uneven, providing insufficient information.

While these activities provided a necessary first step to lay the groundwork for developing needed information, much additional work needs to be done in preschool, elementary, and secondary education to (1) balance the competing objectives of collecting uniform program information to assess performance with giving states and localities the flexibility to implement their unique programs; (2) better link Education's long-term strategic goals and annual performance plans in order to demonstrate how the Department intends to make progress toward achieving its strategic goals; and (3) use the Results Act to identify performance goals for Education's crosscutting efforts, laying out more details regarding the activities that each agency will take to assess the effectiveness of such

programs and eliminate the extent of overlap and duplication of similar education programs that are scattered among multiple agencies and departments.

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Related GAO Products

Student Financial Aid

Student Loans: Improvements in the Direct Loan Consolidation Process (GAO/HEHS-99-19R, Nov. 10, 1998).

Direct Student Loans: Efforts to Resolve Lenders' Problems With Consolidations Are Under Way (GAO/HEHS-98-103, Apr. 21, 1998).

Higher Education: Verification Helps Prevent Student Aid Payments to Ineligible Noncitizens (GAO/HEHS-97-153, Aug. 6, 1997).

Student Financial Aid Information: Systems Architecture Needed to Improve Programs' Efficiency (GAO/AIMD-97-122, July 29, 1997).

Department of Education: Multiple, Nonintegrated Systems Hamper Management of Student Financial Aid Programs (GAO/T-HEHS/AIMD-97-132, May 15, 1997).

Year 2000 Compliance

Year 2000 Computing Crisis: Updated Status of Department of Education's Information Systems (GAO/T-AIMD-99-8, Oct. 8, 1998).

Year 2000 Computing Crisis: Significant Risks Remain to Department of Education's Student Financial Aid Systems (GAO/T-AIMD-98-302, Sept. 17, 1998).

Balancing Oversight and Flexibility

Goals 2000: Flexible Funding Supports State and Local Education Reform (GAO/HEHS-99-10, Nov. 16, 1998).

Elementary and Secondary Education: Flexibility Initiatives Do Not Address Districts' Key Concerns About Federal Requirements (GAO/HEHS-98-232, Sept. 30, 1998).

Grant Programs: Design Features Shape Flexibility, Accountability, and Performance Information (GAO/GGD-98-137, June 22, 1998).

Department of Education: Information Needs Are at the Core of Management Challenges Facing the Department (GAO/T-HEHS-98-124, Mar. 24, 1998).

Federal Education Funding: Multiple Programs and Lack of Data Raise Efficiency and Effectiveness Concerns (GAO/HEHS-98-77R, Jan. 21, 1998, and GAO/T-HEHS-98-46, Nov. 6, 1997).

Managing for Results

The Results Act: Observations on the Department of Education's Fiscal Year 1999 Annual Performance Plan (GAO/HEHS-98-172R, June 8, 1998).

Managing for Results: Agencies' Annual Performance Plans Can Help Address Strategic Planning Challenges (GAO/GGD-98-44, Jan. 30, 1998).

Managing for Results: Using the Results Act to Address Mission Fragmentation and Program Overlap (GAO/AIMD-97-146, Aug. 29, 1997).

Managing for Results: Analytic Challenges in Measuring Performance (GAO/HEHS/GGD-97-138, May 30, 1997).

Performance and Accountability Series

Major Management Challenges and Program Risks: A Governmentwide Perspective (GAO/OCG-99-1)

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